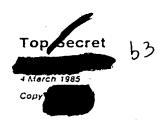


National Intelligence Daily

Monday
4 March 1985







Approved for Raggese Date

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Nicaraguan National Assembly

	Seats
Sandinista National Liberation Front	61
Democratic Conservative Party "	14_
Independent Liberal Party	9_
Popular Social Christian Party	6_
Communist Party	2
Socialist Party (Moscow-line Communists)	2
Marxist-Leninist People's Action Movement	2

* Approximately 10 of the Conservatives' 14 delegates belong to a faction led by former Junta member Cordoba Rivas which favors close cooperation with the Sandinistas.



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NICARAGUA:

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Internal Policy Hardens

President Ortega's continuing emphasis on Sandinista flexibility through his peace initiative may deflect attention from the government's proposal to monopolize political power in the National Assembly.

Ortega is attempting to gain international support for his peace proposals by holding bilateral talks in Monteyideo with numerous heads of state and foreign ministers.

The recently made several

unsuccessful attempts to persuade intermediaries to arrange a meeting with Salvadoran President Duarte and may try again as a new peace gesture:

Meanwhile, the Sandinistas last week proposed a draft statute for the National Assembly that would grant Ortega wide-ranging powers, including the right to issue fiscal and administrative decrees and to declare a state of emergency without consulting the legislature. Ortega would be able to assume all legislative functions during the emergency

The statute also gives special powers to parliamentary "fractions," defined as a political party with at least 10 percent of the Assembly's 96 seats. Only "fractions" would be able to initiate laws, participate in the Assembly directorate or preside over committees, and form part of special commissions. In addition, a special commission would be set up to finish drafting the country's constitution by 22 December.

Other than the Sandinistas, only the Democratic Conservatives, a party dominated by Sandinista supporters, have more than 10 seats. The draft statute proscribes Assembly members from joining another party. Independent Liberal leaders their party will walk out if the statute is adopted in its present form.

Plan When he visits Brazil next week for the inauguration of President Neves. A public offer to meet Duarte week further Ortega's initiative, even if he simply reiterates Nicaraguan positions.

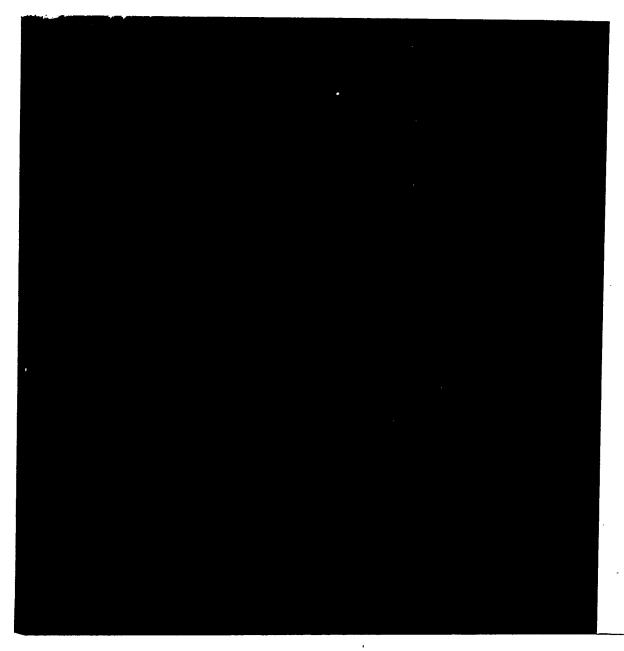
The Sandinistas probably will compromise somewhat on their Assembly proposal to discredit a possible walkout by opposition parties, but the final result is almost certain to restrict sharply the opposition's ability to challenge them. The regime probably will force approval of the measure soon to permit renewal of the state of emergency in late April.



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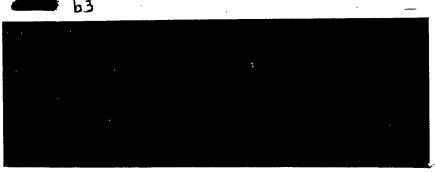


ISRAEL-LEBANON:

Withdrawal Continues

The Israell Cabinet voted unanimously yesterday to begin the next stage of the withdrawal from Lebanon immediately, even though attacks on Israell troops continue unabated and Shia Amai leader Barri has vowed that any future Israell raids on Shia villages will trigger attacks on settlements in northern Israel.

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new, harsher policy for dealing with attacks—mostly by Shia extremists—on their troops in southern Lebanon. Since he has never threatened to attack northern Israel before, his remarks probably were intended to improve his anti-Israeli credentials before the Amal politburo elections next month. The Amal may not yet be planning violence against Israel proper, but a continuation of the "iron fist" policy in the south would exacerbate anti-Israeli sentlment among Shia moderates and could change Amal policy. The radical Hizballah movement almost certainly will attempt cross-border vicience.

Shia militants probably do not currently have the forces or weaponry to support heavy attacks on the northern settlements. Sporadic rocket attacks or determined cross-border raids are possible and would be difficult to defend against, however.

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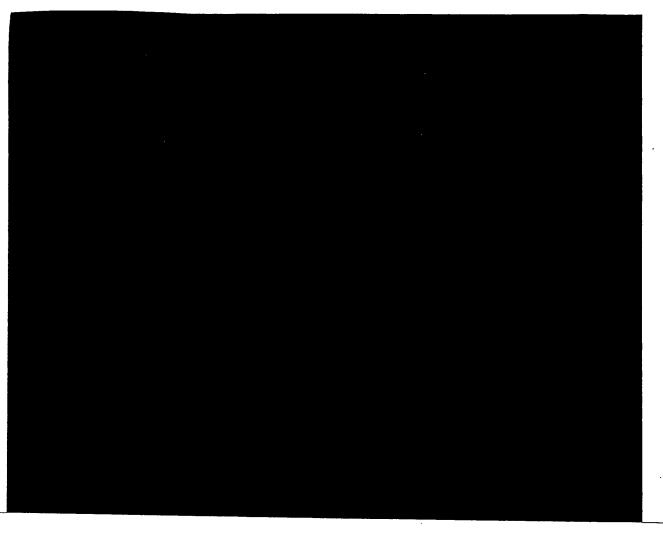
but Peres probably will continue to push for a rapid pullback, especially if attacks on Israeli troops continue at a high level. Heavy terrorist attacks on the northern settlements or major Syrian military movements into southern Lebanon could strengthen opponents of the plan, however.



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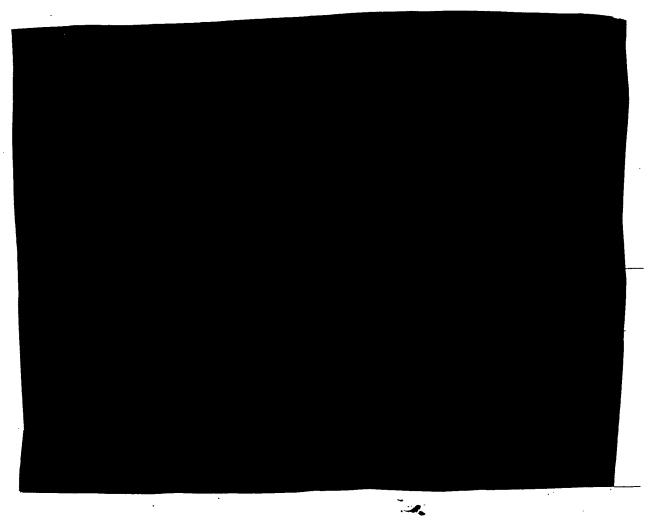
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PAKISTAN:

Constitutional Amendments

Amendments to the Pakistani constitution proposed Saturday by President Zia would give the President overwhelming power.

Zia announced that the constitution suspended in 1977 will be reinstated and martial law lifted after the new National Assembly, which meets 23 March, considers a series of amendments witwo-thirds of the delegates, plus the provincial assemblies, must reject the amendments to forestall them.

One amendment ratifies the December 1984 referendum electing Zia President through 1990. Other amendments let the President appoint the Prime Minister, service chiefs and provincial governors, veto legislation, dissolve the assembly, and call national referendums on any subject. Zia also wants an amendment creating a National Security Council with the power to recommend imposition of martial law to the President.

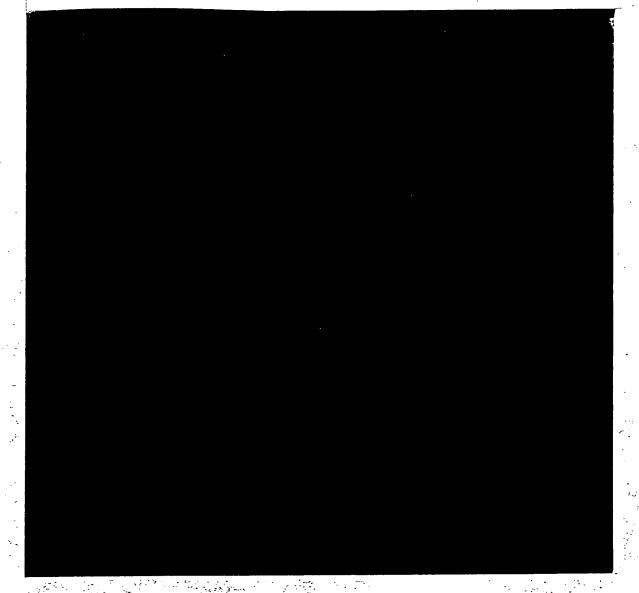
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Zia's pronouncement sets the stage for an early clash with the new assembly, which is sure to resist approving the sweeping powers he is attempting to reserve for himself. The President, however, has moved quickly to block the building of unified opposition to his plans. The two-thirds vote requirement Zia has set makes it unlikely that any of the amendments will be rejected. Allowing the delegates to debate the measures, moreover, should partly disarm his critics.

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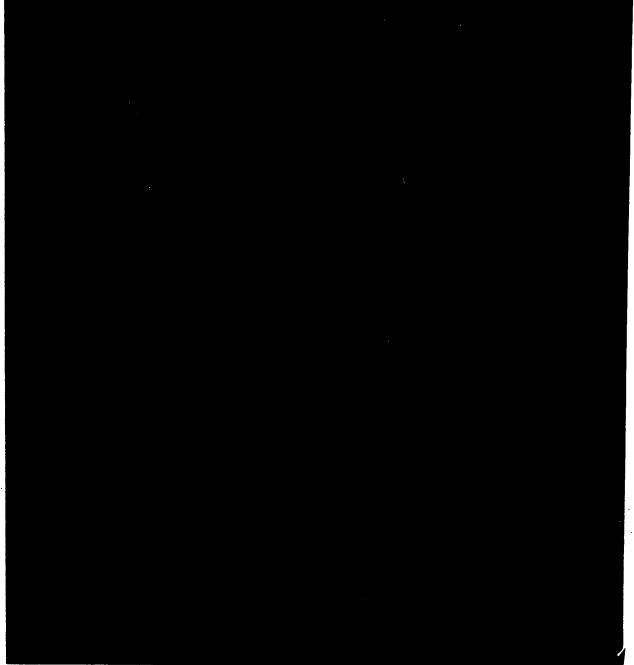
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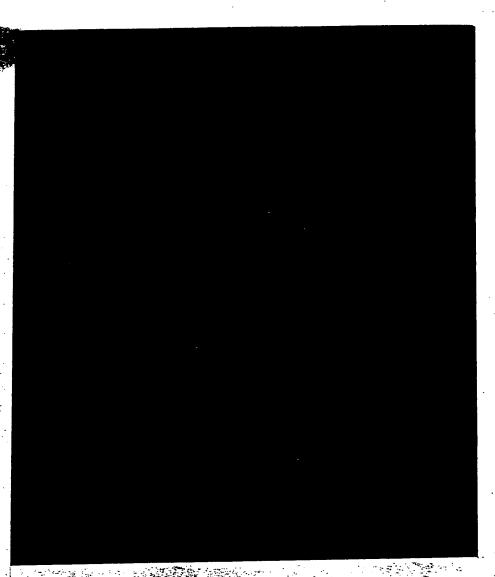


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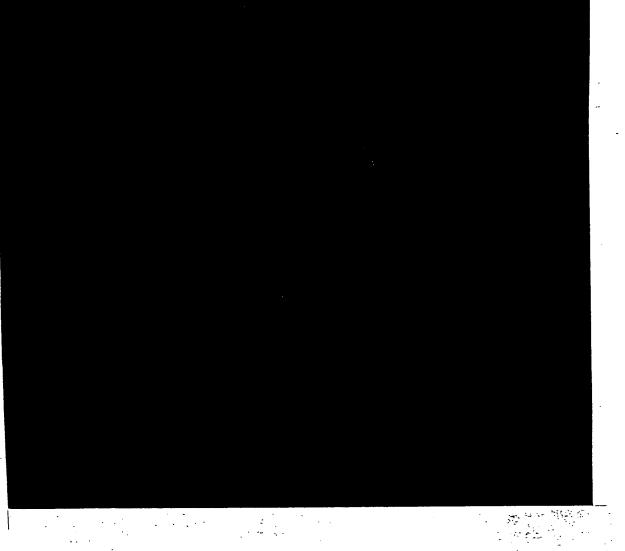
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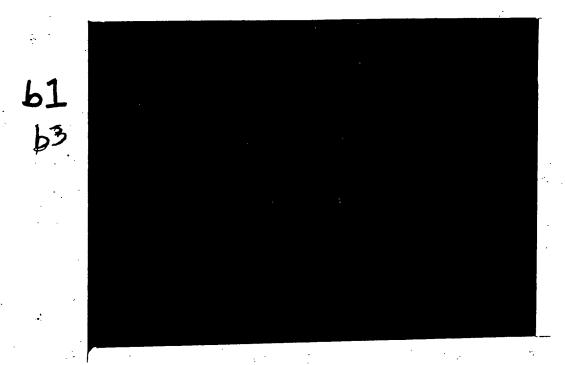
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NORWAY: Shortage of Fighter Pilots

pilots have resigned to take civil airlines jobs in recent years and that Scandinavian Airlines plans to recruit at least another 50.

The airline also has raised the maximum age of newly hired pilots, which could prompt more Air Force pilots than ever to resign to join the airline. In large part because of the pilot shortage.

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The loss of 50 pilots would further

Norway for years has had trouble keeping pilots and has attempted to stem the flow by increasing mandatory service from six to eight years. The Air Force has not been able to increase salaries—probably the one measure that effectively would improve retention rates—because procurement costs take priority over personnel funds.

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INDIA: Counterinsurgency in Punjab

Punjab is forming a paramilitary strike force to control violence by Sikh extremists. The move results from criticism of the performance of the Punjab police before the Army crackdown in the state last June. The strike force probably is intended to take over security duties from Army units and will consist of specially armed elements drawn from the state police.

The formation of the new force is the strongest indication so far that New Delhi expects Sikh violence to continue and possibly widen. The government hopes to redeploy the Army, which is reluctant to continue its security duties in Punjab, and is likely to portray any future withdrawal of regular troops as evidence that the state has returned to normal.



In Brief

Africa

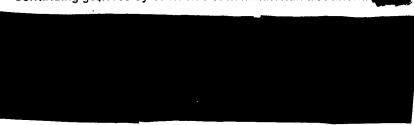
Nine French famine relief workers en route to Lalibela taken hostage by unidentified Ethiopian rebels yesterday . . . five released so far . . . considered legitimate political targets by rebels who have kidnaped Western aid personnel and tourists . . . French troops in Djibouti reportedly on alert.

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Middle East ~

 Security Council convenes today to discuss report on conditions in Iranian and Iraqi POW camps... Foreign Minister Aziz will present Baghdad's case... Iran yesterday freed 27 disabled Iraqi POWs, continuing gestures by each side of humanitarian treatment.

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Americas

First nationwide poll in Perú shows center-left presidential candidate Alan Garcia with commanding lead in campaign for 14 April election . . . If Garcia falls to win majority on first ballot, Marxist Alfonso Barrantes likely opponent in runoff.



Per Capita Consumption Expenditures, 1983 USSR as a percent of US

		_
Total consumption .	35	
Food	54	
Soli goods	41	
Durables	15	
Household services	20	
Health	32	
Education		93

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Special Analysis

USSR-US:

Comparative Living Standards

Since 1960, the USSR has inched toward its goal of matching the US standard of living, but its real per capita consumption is still only a third of the US level. Nevertheless, Soviet consumers have seen improvements. For example, in overall nutritional terms their diet now nearly matches that in the US—even though variety and convenience still fall far short of US standards—and most households have electrical appliances. Housing remains tight, however, and health care problems have contributed to higher death rates and lower life expectancies than in the US. Some of these problems may ease during the next few years, but with economic growth slowing, living standards probably will improve more slowly than they did through the mid-1970s:

Growth in per capita consumption slowed in the 1970s, with the largest declines in food and nondurable consumer goods. Sales of consumer durables also dropped sharply, causing per capita consumption to slow even further in the early 1980s. Growth recovered somewhat in 1983-84 because of increased food availability and increased consumption of nondurables. Nevertheless, it is still below the level of the 1970s.

Food and Consumer Durables

The quality of the food supply has Improved. Soviets still consume more starchy staples than Americans, but more livestock products are now available to them - per capita consumption of meat has increased 40 percent since 1970. Even so, Soviet citizens on the average still eat only half as much meat as do Americans and derive a larger proportion of protein from nonmeat sources. Moreover, shortcomings in processing and distribution limit the variety of available goods, especially fresh fruits and vegetables out of season.

Soviet per capita expenditures for consumer durables are now less than 20 percent of the US level, but they have nearly doubled since 1960. Almost every US family has a refrigerator and at least one TV set, but only two-thirds of all Soviet families have refrigerators and three-fourths have TV sets—usually of lower quality

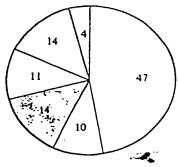
Housing and Health Show Mixed Gains

The shortage of housing in the Soviet Union is severe. There has been improvement in the past 25 years, but about one out of every five city dwellers still shares living space with unrelated families or single persons.

US and Soviet Diets: Major Food Groups, 1981

Percent	4.5	· = -	
Grain products and potatoes Meat and fish	Pats and oils Dairy and eggs	Sugar Other	
JS .410 calories per lay per person	17	25	
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3,248 calories per day per person





Living quarters are also much smaller than in the West. In the 1920s, the Soviets set a national minimum standard for "health and decency" of urban dwellers at 13.5 square meters—about 12 feet by 12 feet—of housing space per person. The Soviets, on average, currently meet this standard, although they lag far behind the US—14 square meters compared with 49 square meters—14.3

The government, seeking to control the demand for housing, often bars single persons from waiting lists for apartment housing. At thesame time, however, large government subsidies spur demand by keeping rents down.

Until recently, the USSR had made substantial improvements in health care. The overall level of health care, however, is deteriorating because Moscow, unwilling to devote a larger share of the budget to medical services, is having increasing difficulty coping with the alcoholism and hypertension besetting an older, more urban, and more industrial population. The death rate is now higher than the US rate. The USSR is the only major industrial nation to have a lower life expectancy now than 20 years ago: the estimated life expectancy of males has fallen from 66 years in 1965 to 62 years currently. US male life expectancy rose from 67 years to 71 years during the same period.

Prospects for Improvements Limited

The USSR historically has given the consumer low priority in the allocation of national resources. This has enabled levels of investment and defense to rise above US levels and GNP to grow from 49 to 55 percent of US GNP since 1960, but it has held per capita consumption to only about one-third of that in the US.

The rising expectations of a new generation not hardened by the sacrifices endured during World War II and the postwar reconstruction may increase pressure for faster growth in consumption. Soviet leaders recognize that improvement in living standards is necessary to maintain worker productivity and satisfaction, as shown by their continued support for national food programs and by recent efforts to provide improved services and more quality consumer goods. They do not appear to have shifted resources from other sectors, however, and a projected slower economic growth of about 2 percent a year through 1990 will make progress in the consumer area difficult.

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